

DPAC Wrapper Project



New aloft hotel



View of President's Club Lounge and DPAC Entry Plaza





Agreements

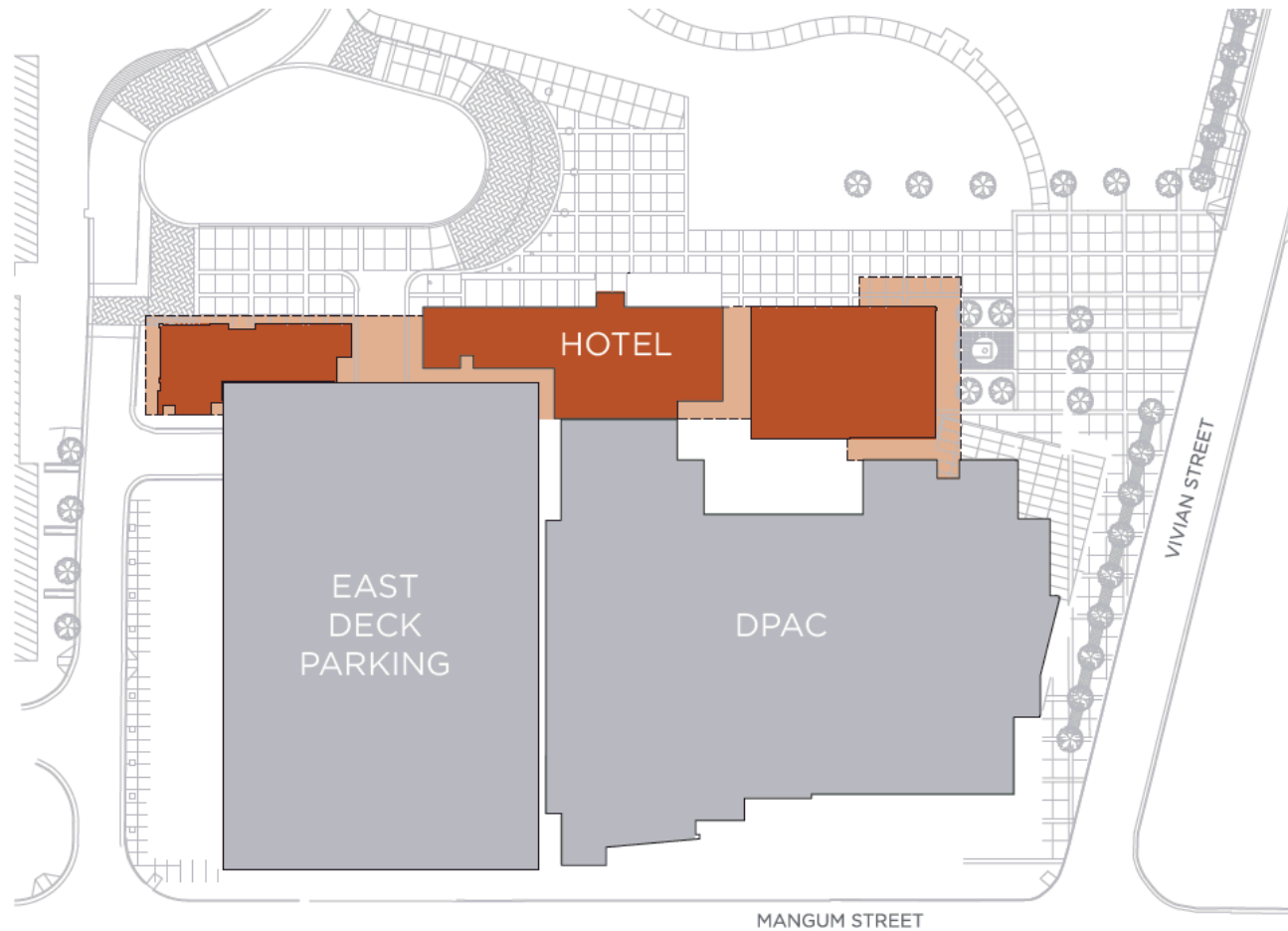
- Development Agreement-roadmap for DPAC Wrapper development and DPAC amenities
- Lease Agreement- President's Club Lounge
- Condominium Purchase-Additional restrooms
- Various Property Conveyances and One Building Agreement



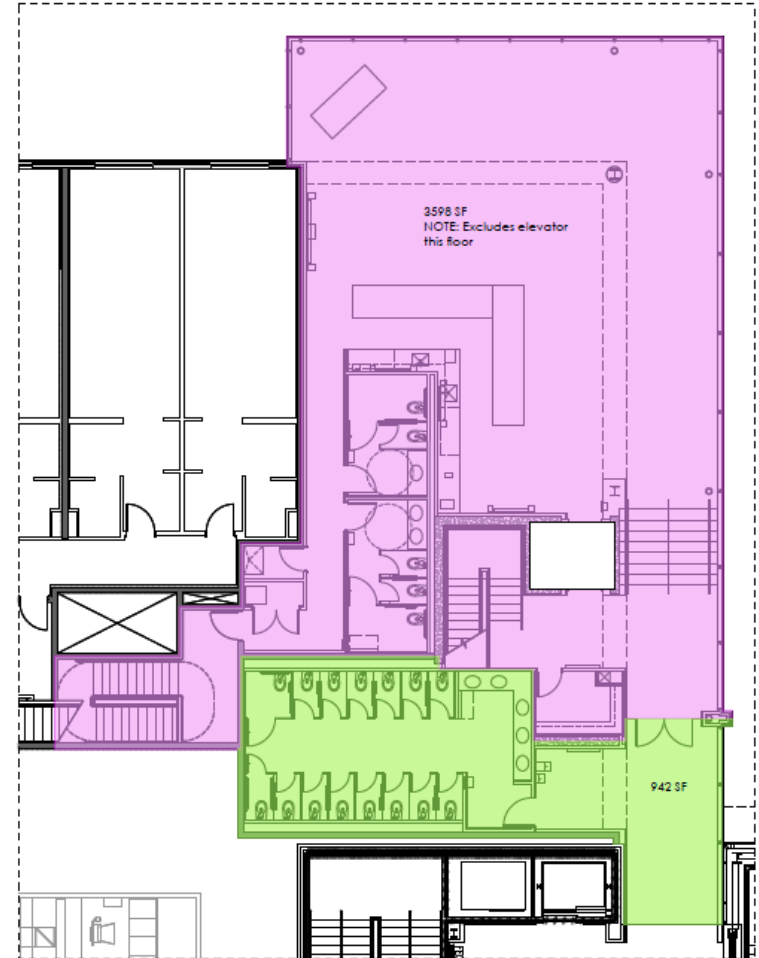
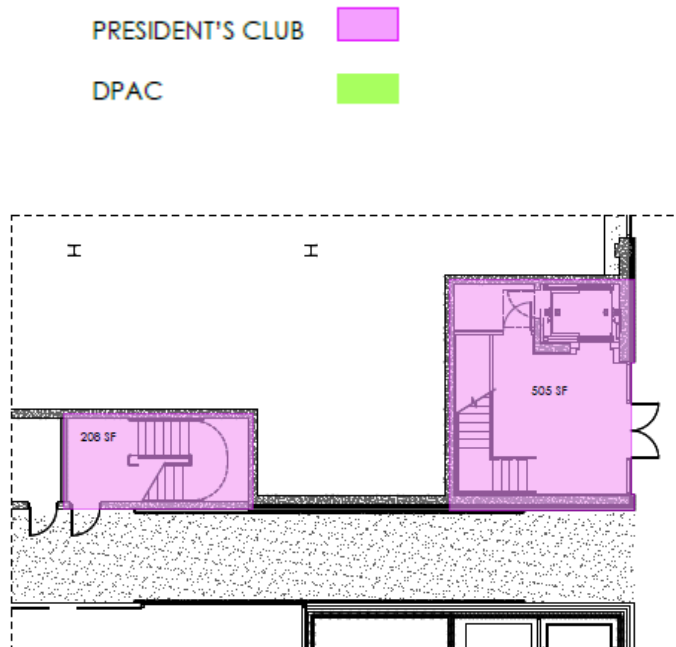
Development Agreement with Blackwell

- Wrapper Building project:
 - 102,000 square feet of improvements
- Hotel 134 rooms
- Retail
- New elevator attached to East Parking Deck
- DPAC amenities
 - President's Club Lounge
 - Additional restrooms

Development Site Plan



Overview of DPAC Amenities





Public/ Private Investment

Public Investment:

- Purchase of the Restroom Condominium - amount not to exceed \$641,338.00
- Execution of long term lease of the President's Club (Lounge) at base rental rate of \$9,054.00
- Project property conveyances from City to Blackwell necessary for project

Private Investment:

- Construction costs, tenant up-fit, furniture, fixtures and equipment, construction testing services and other costs
- Private sector improvements - hotel and retail units
- Minimum private investment of \$10,000,000

Existing President's Club Lounge

Existing Lounge - 800 SF

- Already reached limit of President's Club ticket sales for available space
- Limited flexibility and expansion
- Restrooms for President's Club Lounge inadequate.

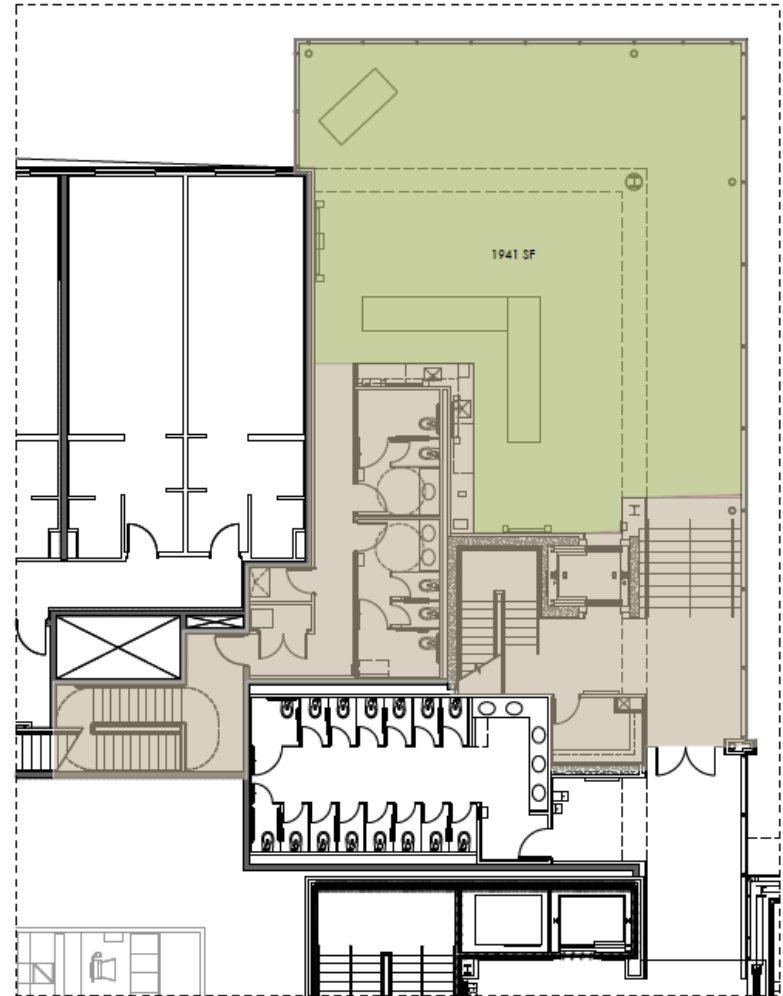
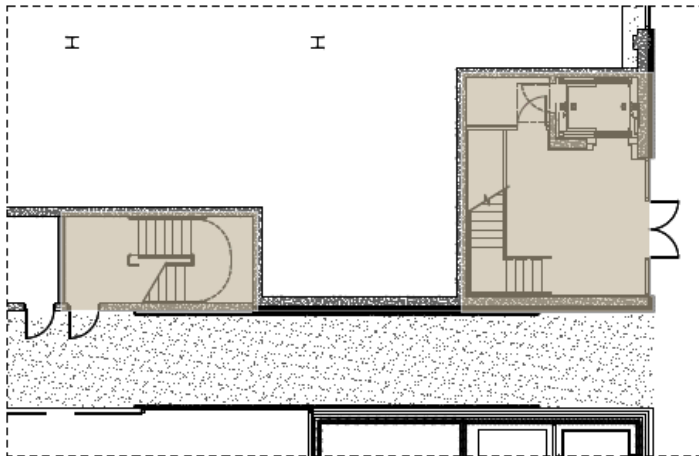


President's Club Lounge

ASSEMBLY AREA



SUPPORT &
CIRCULATION





President's Club Lounge Lease

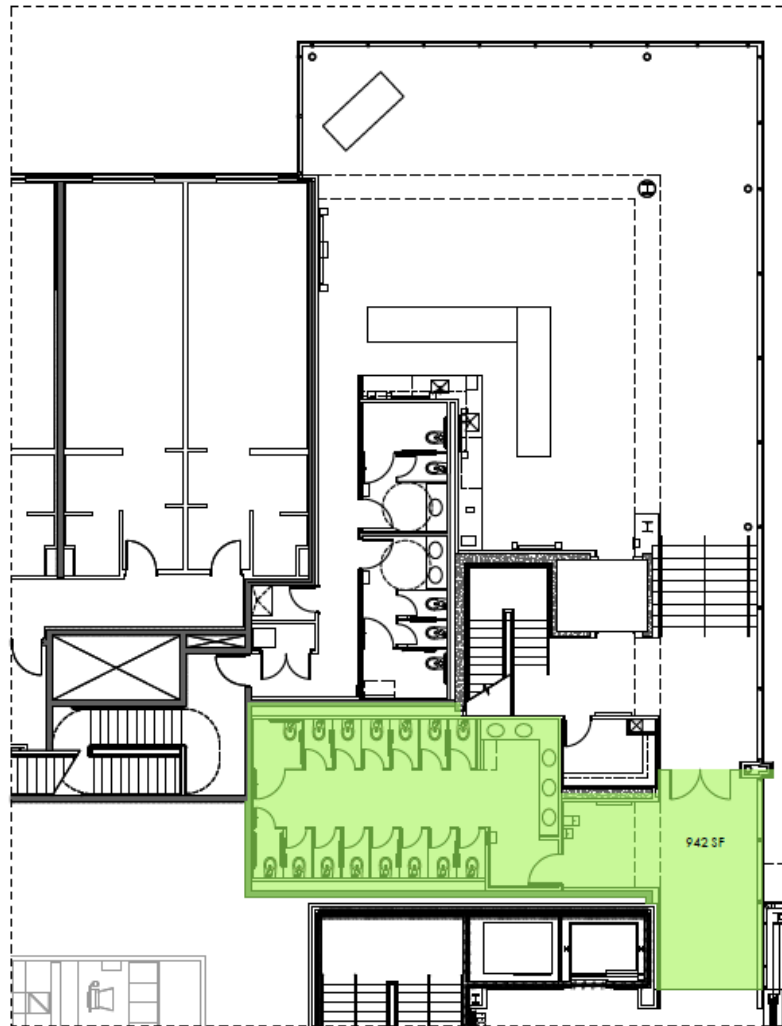
- City pays base rent of \$9,054 for initial term beginning 11/1/14
- Base rent increases by 3% on annual basis
- Renewals through 2045
- Lease square footage 4,024 SF
(Includes assembly space of 1,941 SF plus interior restrooms, elevator, stairs)
- Separate point of entry from ground floor



President's Club Lounge

- Constructed to accommodate audio-visual; beverage stations and seating/furnishings
- Naming rights opportunities
- Increased revenue
- Enhanced patron experience

New Restrooms for DPAC





Restroom Condominium Purchase

- Additional restrooms to augment current facilities
- 15 new toilets - permanent amenity
- 942 SF
- One-time purchase price of \$641,338



Property Conveyances

- New Dumpster Easement
- Mechanical Equipment Easement
- Easement for Cross Access
- Easement for Footings
- Easement for Utilities
- Temporary Construction Easement
- Air Rights Easement
- One Building Agreement



Funding

- Upfront costs of \$641,338 associated with one time condo purchase for restrooms and \$200,000 in FFE for President's Club Lounge funded from revenues accumulated in DPAC facility fund
- Lease fees will run through DPAC operator
- As of June 30, 2013 - Fund balance of approximately \$3.4 million
- All revenues and expenses associated with new DPAC amenities considered as operating revenues/expenses of operator and subject to newly updated revenue sharing provision of the operating agreement.

DPAC Annual Cash Flow Analysis

	2014-15	2015-16	2016-17	2017-18
PRES. CLUB REVENUE				
Gross Sales with Expansion	1,126,803	1,234,403	1,293,707	1,355,892
Net Sales with Expansion	800,030	876,426	918,531	962,683
Pres. Club Sponsorship	85,000	95,000	105,000	115,000
Net Revenue	885,030	971,426	1,023,531	1,077,683
ADD'L PRES. CLUB EXPENSES				
Rent	108,648	111,907	115,265	118,723
Utilities	8,383	8,719	9,067	9,429
Annual Net with Expansion	767,999	850,800	899,199	949,531
Net Sales without Expansion	664,809	678,809	691,631	705,467
Net Revenue Increase with Expansion	103,190	171,991	207,568	244,064
OPERATING EXPENSES (additional restrooms)				
Utilities	3,580	3,722	3,872	4,027
Elevator Maintenance	1,231	1,268	1,306	1,345
Net Revenue Increase Pres. Club and Restrooms	98,379	167,001	202,390	238,692
Operator Share - 60%	59,027	100,200	121,434	143,215
City Share - 40%	39,352	66,800	80,956	95,477
Note: Cash for initial restroom condo purchase from DPAC Facility Fund - costs above include only recurring annual expenditures.				